

In Reply To:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Montana State Office

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February 1, 2006

EMAIL TRANSMISSION - 2/1/06

Instruction Memorandum No. MT-2006-039

Expires: 9/30/07

To: Field Managers

From: State Director

Subject: Oil and Gas Application for Permit to Drill (APD) and Related
Rights-of-Way (ROW) Process Improvement **DD: 04/01/06**

Program Area: Oil and Gas Exploration and Operations; Lands and Realty

Purpose: This Instruction Memorandum (IM) provides State-specific guidance to supplement Washington Office (WO) IM No. 2006-071 (Attachment 1) dated January 19, 2006.

Policy/Action: WO IM No. 2006-071 requires that each Field Office with over 20 APDs per year review the APD process currently being used and prepare a report. The report is due to the Montana State Office (MT922) by April 1, 2006. The specific requirements of the IM are:

- 1) Form a process improvement team to review the APD process currently used by the office, including associated on-and off-lease ROW and related environmental reviews;
- 2) Make changes to improve process efficiency with the objective of reducing current processing times, while maintaining an interdisciplinary review and ensuring development is conducted in an environmentally responsible manner; and
- 3) Report findings and efficiency improvements to their respective State offices by April 1, 2006.

As stated in the IM, the report need not be lengthy. It shall include: the Field Office; review-team members; meeting dates; process delays identified; consistency issues that were identified within offices; and process and consistency solutions that are being implemented.

In performing the review, offices should concentrate on the reason(s) for any delays in processing APDs and/or ROWs within the recommended timeframes. The APDs received within the last 2 years should be the primary focus of the review. Efficiency improvements identified in the report should be geared toward eliminating any delays. Offices may want to make separate recommendations regarding Forest Service, Indian, and other Surface Management Agency (SMA) APDs where the delays may be beyond BLM control.

Numerous APD process reviews have been conducted in the past. Field Offices should review these past reports and utilize any findings and recommendations in those reports that are applicable.

Reports should be submitted by the Great Falls Oil and Gas Field Station, the Miles City Field Office, and the North Dakota Field Office (the three offices with APD approval authority). The Great Falls Oil and Gas Field Station should coordinate with the Malta Field Office, the Havre Field Station, the Glasgow Field Station, and the Lewistown Field Office in conducting the review. The North Dakota Field Office should coordinate with the South Dakota Field Office. The Miles City Field Office should coordinate with the Billings Field Office.

The WO IM states that the State Director shall support Field Office process improvement teams by providing advice; verifying implemented improvements; consolidating findings; and reporting the results to the WO. With this in mind, we request that you inform the MSO of the time and place of your review team meeting so that a MSO representative can attend. Please contact Will Lambert with this information as soon as your meeting is scheduled.

Timeframe: Implement immediately. Field Office reports are due to the MSO by April 1, 2006. Notification of your meeting time and place should be conveyed to the MSO as soon as the meeting is scheduled.

Budget Impact: Limited travel funding will be necessary for MSO personnel to assist the Field Office process improvement teams and for coordination between offices as identified above.

Background: WO IM No. 2006-071 provides the background information applicable to this IM.

Manual/Handbook Sections Affected: None

Coordination: This IM was coordinated between the Branch of Fluid Minerals and the Branch of Land Resources.

Contact: Please direct any questions to Will Lambert at (406) 896-5328.

Signed by: Howard A. Lemm, Acting

Authenticated by: Kathy Ray (MT-922)

1 Attachment

1-WO IM No. 2006-071 (4 pp in its entirety)

Distribution w/attm.

Assistant Field Manager, Glasgow Field Station

Assistant Field Manager, Havre Field Station

Supervisor, Great Falls Oil and Gas Field Station

SOMT